

3 April 1958

THRU : Assistant Director for Research and Reports
: Chief, Economic Research, OHR

Chief, Industrial Division, OHR

Monthly Report: March 1958

1. Accomplishments

a. Branch Projects Submitted

- 35.2072 - Shipbuilding in East Germany, 1955-57
- 33.1749 - Estimated Floorspace of the Taganrog Airframe Plant No. 49/86
- 33.2052 - Production of Bison Aircraft at Moscow/Fill Airframe Plant No. 23 in the USSR (In division review)
- 37.2084 - Factors Affecting Soviet Operational Capabilities in Guided Missiles and Space Vehicles (NIS 11-5-56) (Partial submission to CMIC)

b. Other Projects Submitted

- 40.1833 - Communist China's Trade and Transport (Contribution)
- 00.2066 - Economic Intelligence Statistical Handbook (Contribution)
- 30.2044 - Collection Planning Aid: Soviet ICBM Program
- 20.1881 - Electric Power Consumption in the USSR (Contribution)
- 30.1864 - Estimated Production of Specified Industries in the Sino-Soviet Bloc, 1957 (To coordinator)
- 20.1783 - The Soviet AE Program (Contribution)

c. Special Research

During March, D/I branches expended 68 hours in special research.

d. Other

Evaluation of "Status of the Chinese Communist Aircraft Industry as of September 1957."

Draft CSM - New Communist China Group to Direct Production of Equipment for the Fertilizer Industry.

Draft CSM - Plans to Build 4,500 Diesel Locomotives during 1958-60 May be Underfulfilled (USSR)

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Draft CSM on Sov Bloc Arms Shipments to Yemen.

Draft CSM on Reduced Soviet Production of Small Arms.

2. Training

- 25X1A9a a. [REDACTED] (I/CI) commenced the course in Russian Economic Reading, Phase I.
- 25X1A9a b. [REDACTED] (I/CI) completed the OTR 20-hour Basic Typing Course.
- 25X1A9a c. [REDACTED] (I/CM) began a special OTR course on Satellite Theory.
- 25X1A9a d. [REDACTED] (I/ME) began the Intermediate Russian Reading Course.
- 25X1A9a e. [REDACTED] (I/ME) completed the Arctic Indoctrination Course, 11-26 March, [REDACTED] 25X1X7
- 25X1A9a f. [REDACTED] (I/ME) attended the Writing Workshop.
- 25X1A9a g. [REDACTED] (I/WA) completed the course in Effective Writing.
- 25X1A9a h. [REDACTED] (I/TH) began the Elementary Russian Reading Course.
- 25X1A9a i. [REDACTED] (I/TH) took the two week Basic Management Course in March.
- 25X1A9a j. [REDACTED] (I/TH) commenced an orientation course for overseas personnel on 24 March.

3. Trips

- 25X1A9a a. [REDACTED] (I/AR) visited ATIC, Dayton, Ohio, to discuss problems relating to Soviet production of new transports and jet fighters.
- 25X1A9a b. [REDACTED] (I/AR), and Messrs. [REDACTED] (I/CM) attended meetings sponsored by the Institute of Aeronautical Sciences, Cleveland, Ohio, 13-14 March.
- 25X1A9a c. [REDACTED] (I/EE) attended the IRE Convention, New York, 25-26 March.

4. Administration

- 25X1A9a a. [REDACTED] performed active duty on military leave, 25X1A9a March.
- 25X1A9a b. [REDACTED] (I/CI), on LMOP since November 1957, resigned 4 March.
- 25X1A9a c. [REDACTED] (I/TH) returned to duty 17 March from LMOP.
- 25X1A9a d. [REDACTED] (I/TH) resigned 28 March.
- 25X1A9a e. [REDACTED] (I/EE) transferred to OSI/ED at the end of March.

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f. [REDACTED] entered on duty in I/GM, on detail from I/MM.

g. The following entered on duty in D/I,

25X1A9a

GS-9 I/CI
I/ME
I/MM

h. Resignations are being submitted by the following,

25X1A9a [REDACTED] I/CI, effective 11 May
I/CI, effective 4 April

25X1A9a [REDACTED] (I/ME) was separated for military service.

5. Plans

a. It is expected that Messrs. [REDACTED] (I/AR) will attend the Society of Automotive Engineers National Aeronautic Meeting, New York, 8-11 April.

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b. The Electronics Production Research Agency (EPRA), Department of Defense, has been visited by members of I/EE and briefed on branch interests. Information was obtained regarding personnel within the Electronics Industries Association (EIA) who may be able to supply valuable US industry information. Authorization of contact has been requested in anticipation of visits to EIA in the near future.

c. Plans are being made for [REDACTED] (I/GM) to depart for TDY in [REDACTED] about 20 April as a replacement

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25X1A9a [REDACTED] in economic and non-technical intelligence support of [REDACTED] interrogations of [REDACTED] guide missile repatriates. 25X1A6a

25X1A8a

25X1X7"

6. Problems

25X1A5a1

It is understood that [REDACTED] GMR contract employee, is ill and will not be able to perform productive work for an indefinite period. Consideration of further action regarding this contract has been deferred temporarily pending developments in April.

7. Recommendations

The quality of foreign document exploitation for electronics industry information has shown no improvement since it was reported initially as a problem in December 1957. The paucity of information received is further aggravated by the loss of the services of

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reported above.

As a result of the failure of JPRS to meet the requirements of I/EE for information on the Soviet electronics industries, a recommendation is being submitted that FDD be urged to reconsider its current external contract for exploitation of this material, and that the reporting function on the Soviet electronic industry be reassumed by FDD.

8. Other Information

- a. Deputy Chief and members of D/I briefed Mr. Lyon Gardner, prospective State Department Political and Economic Reporting Officer, Budapest.
- b. [redacted] participated with other Division Chiefs in briefing [redacted] 25X1A9a
- c. Chief and Deputy Chief, D/I, with other division personnel, briefed [redacted] in preparation for his 25X1A9a prospective duty overseas.
- d. Chief, D/I and [redacted] participated in discussions 25X1A9a with representatives of [redacted] on matters of mutual 25X1X7 interest.

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- (I/CI) collaborated with St/CS in preparation of an article on the new consumer goods program in the USSR.
- f. Chief, I/ME participated in a seminar on Economic Potential for War at the Industrial College of the Armed Forces.
- g. At the request of ONR, Major H. J. Grossclose and Capt. D. B. Potter, ATIC, Dayton, Ohio, briefed members of I/GM, I/AR, SR/CCR and GMD/OSI on 18 March on the ATIC system for machine handling of intelligence data. Subsequently the ATIC representatives held further discussions on this subject with members of I/GM and SR/CCR.
- h. Members of I/GM provided support in March to GMIC and the GMIC Secretariat during preparation of the GMIC draft of certain sections of NIE 11-5-58, to OSI for a special meeting of a scientific consultants panel on Soviet space flight capabilities and the findings of SNIE 11-10-57, to ONE in consideration of possible revision of SNIE 11-10-57, and to GMIC for three special meetings on significant current events.
- i. Members of I/GM prepared and coordinated a current intelligence article for Part II of the OCI Weekly Review, and subsequently prepared a Bulletin article

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on the same subject. The latter was commended by the CIA representative to the OCB, [REDACTED] who 25X1A9a expressed interest in receiving future materials of this type.

- j. Members of I/OM were briefed during the month by representatives of St/I/R on the organization, mission and functions of that office.
- k. Planning of the division research program for FY 1959 continued. Plans for branch initiated research were reviewed by Ch/E, and outlines of proposed projects were submitted.
- l. Plans for two proposed external research projects in industrial subjects were submitted for consideration.
- 25X1X7 m. [REDACTED] visited D/I branches in late March for discussion of mutual interests.
- n. Chief, D/I participated in consideration of revision of SIC Priority National Intelligence Objectives in line with new industrial economic and weapons developments.
- o. Requirements of D/I for external training in FY 1959 were submitted in March.
- p. Recommendations in support of proposed US/USSR discussions of reciprocal revision of travel restrictions were provided.
- q. Requirements were provided for inclusion in the OCI Periodic Requirements List for the second 4 months of 1958.
- r. Recommended revisions in Sovmat requirements were proposed by D/I branches.

25X1A9a
[REDACTED]

Distribution:

Orig. and 1 - Addressee

25X1A9a 1 - Ch/E

2 - D/I

ORR:D/I: [REDACTED]:lwk/2345